



TO: Honorable Mayor and City Council

THRU: Craig Clifford, Chief Financial Officer

FROM: Art Rullo, Budget Director

CC: John Little, Acting City Manager
David Ellison Assistant City Manager
Roger Klingler, Assistant City Manager
Neal Shearer, Assistant City Manager
Scott McCarty, Assistant Financial Services General Manager

DATE: April 30, 2008

RE: Follow-up Material from April 17 Special Budget Meeting

Honorable Mayor and City Council Members,

In response to the City Council requests from the April 17 Special Budget Meeting staff are providing the following responses.

#1 Request: What percentage of the City's playgrounds have shade and rubberized surfaces?

Staff Response: The City's playground system includes 35 playgrounds, of which 20 (57%) are currently have shade covering, 15 (43%) are not covered. Staff are working through CIP Project #Y0815 Playground Equipment Replacement to make repairs on existing playground shade structures, replace existing shade structures that are damaged through vandalism or storms, and plan installation of new shade structures for playgrounds that currently do not have shade.

The Playground Equipment Replacement CIP project also provides the funding needed for replacing full playground systems that have reached their useable lifespan; for repairing/replacing individual pieces of playground equipment; and for repairing/replacing the ADA surfacing portions of the playground systems.

Please see the “*Status of Playground Shading*” for a summary of the City’s current playground system inventory and those that are shaded and not shaded (Attachment A).

#2 Request: What are the operating costs to run the McDowell Sonoran Preserve?

Staff Response: Staff is currently developing a summary of the preserve operating costs and will provide the results to City Council by the end of May.

3 Request: What amount should be added to the budget contingency to create the “legal budget capacity” to possibly purchase the Arizona American Water Company service area?

Staff Response: As staff noted in the May 6 Council Action Report (page 11), prior to the May 20, 2008 tentative budget adoption, Council may want to consider establishing a capital budget contingency of \$10 million, which would create the additional “legal budget capacity” for City Council to take possible action by during FY 2008/09.

4 Request: Provide details on the Water and Sewer Participation Programs.

Staff Response: For information regarding the City’s Water and Sewer Participation Programs, please see the memo from Marshall Brown, Water Department General Manager, dated April 29, 2008 (Attachment B).

If I may be of assistance to you, please call me at 480-312-2435 or via e-mail at arullo@scottsdaleaz.gov.

City of Scottsdale
Status of Playground Shading

Attachment A
Response for April 17, 2008

	Park Site	Location	Shaded or Not Shaded
1	Aqua Linda Park	8732 E McDonald	Shaded
2	Apache Park	1201 North 85th Place	Shaded
3	Aztec Park	13636 North 100th Street	Shaded
4	Cactus Park	7202 East Cactus Road	Shaded
5	Chaparral Park and Community Center	5401 North Hayden Road	Shaded
6	Chesnutt Park	4565 North Granite Reef	Shaded
7	Cholla Park	11320 East Via Linda	Not Shaded
8	Comanche Park	7639 Paseo del Norte	Not Shaded
9	Eldorado Park & Community Center North	2311 North Miller Road	Not Shaded
10	Eldorado Park & Community Center South	2311 North Miller Road	Shaded
11	Gainey Ranch Rotary Park	7959 East Gainey Ranch Road	Not Shaded
12	Grayhawk Neighborhood Park	20726 North 76th Street	Not Shaded
13	Horizon Park & Community Center	15444 North 100th Street	Shaded
14	Horizon Park Sports Complex	15444 North 100th Street	Not Shaded
15	Indian School Park & Tennis Center	4289 North Hayden Road	Shaded
16	Ironwood Park	18650 North 94th Street	Shaded
17	La Mirada Desert Park	8950 East Pinnacle Peak Road	Shaded
18	McCormick-Stillman Railroad Park Promenade	7301 East Indian Bend Road	Shaded
19	Vista del Camino Park & Community Center South	7700 East Roosevelt Street	Not Shaded
20	Mountain View Community Center	8625 East Mountain View	Shaded
21	Northsight Park	8400 East Thunderbird Road	Not Shaded
22	Osborn Park	7775 East Osborn Road	Not Shaded
23	Papago Rotary Park	7316 East Garfield	Not Shaded
24	Paiute Park	3210 North 66th Street	Shaded
25	Paiute Neighborhood Center	6535 East Osborn Road	Shaded
26	Pima Park	8600 East Thomas Road	Not Shaded
27	Rio Montana Park	11180 North 132nd Street	Shaded
28	Scottsdale Ranch Park	10400 East via Linda	Not Shaded
29	Shoshone Park	8300 East Via de Dorado	Not Shaded
30	Sonoran Hills Park	7625 East Williams Drive	Shaded
31	Stonegate Equestrian Park	9555 North 120th Street	Shaded
32	Thunderbird Park	9170 East Thunderbird Road	Not Shaded
33	Vista del Camino Park & Community Center North	7700 East Roosevelt Street	Shaded
34	Zuni Park	7230 Via del Elemental	Not Shaded
35	Scottsdale Sports Complex	8081 East Princess Drive	Shaded

Total Playgrounds Shaded	20	57%
Total Playground Currently Not Shaded	15	43%
Total Playgrounds	35	100%



TO: Honorable Mayor and City Council

THRU: Roger Klingler, Assistant City Manager

FROM: Marshall Brown, Water Resources General Manager

CC: John Little, Acting City Manager
David Ellison Assistant City Manager
Neal Shearer, Assistant City Manager
Craig Clifford, Chief Financial Officer
Scott McCarty, Assistant Financial Services General Manager
Art Rullo, Budget Director

DATE: April 29, 2008

RE: City Participation Program – Public Water and Sewer Lines

Honorable Mayor and City Council Members,

In response to the City Council request from the April 17 Special Budget Meeting, following is a summary of the Sewer (and Water) Extension City Participation Program.

City Council approved amendments to Chapter 49 of the City Code on October 2, 2007. Effective November 3, 2007, the participation program is intended to compensate single family property owners for the cost of extending public water and sewer lines across their neighbor's frontages. This results in a property owner only being responsible for their equitable fair share of the cost to extend public water/sewer lines across their own frontage.

Historic process:

- Property owner is responsible for design and construction of public water/sewer line.
- Line payback agreements are set up by the city proportioning costs of the extension across neighboring property frontages.
- When neighboring properties connect to the public water/sewer system, the city collects the line payback amount and then returns it to the initial installing owner.
- Agreements had a ten year term.

New process:

- Property owner is responsible for design and construction of public water/sewer line.
- Written request for city participation must be submitted to the Water Resources Department within 60 days after permits are issued for the water/sewer line.
- Line payback agreements are set up by the city proportioning costs of the extension across neighboring property frontages.
- The city assumes the line payback agreement (provided funds are available) and compensates the installing owner.
- When neighboring properties connect to the public water/sewer system, the city collects the line payback amount.
- Agreements have a thirty year term and carry a 0.50% simple interest rate per month.

Criteria:

- Eligible only to single-family property owners installing public water or sewer lines.
- Subject to availability of funds through the annual city budget process.
- Maximum funding per extension is \$150,000.
- If funds are not available, owner can request the city to set up payback agreements in the owner's name and be placed on a waiting list for when funds become available, or delay their project until funds become available.

Implementation:

The City began implementation of the participation program soon after the City Council approved the City Code revisions. The implementation process included coordinating the new process among various City departments and notifying City residents.

The City advertised the program as follows:

- The participation program information and related material were added to the City's website (<http://www.scottsdaleaz.gov/bldgresources/counterresources/waterfeepacket/ExtensionParticipation.asp>).
- Summary information was included in the April 2008 Scottsdale Pride newsletter mailed to City residents with their monthly utility bills.
- Additionally, a list of property owners who do not currently receive utility bills is being compiled and will be sent a postcard summarizing the program.

When the city assumes a line payback agreement, payment is generally made to the installing property owner within 60 days. That line payback agreement will then be set up between the neighboring property and the city.

Since inception of the program, the City has processed four (3 sewer and 1 water) extension payback agreements under the old process (since the permits were issued prior to September 3, 2007, they were not eligible for City participation) totaling \$279,618.10. For these payback agreements, the City helps administer the paybacks under the historic process described above without the benefit of City participation.

The table below provides data on the participation program activities that have occurred since City Council approved the Code revisions.

	Number of Agreements	Reimbursement Amount Requested
Sewer Agreements Completed	2	\$185,305.80
Water Agreements Completed	1	\$57,000.00
Sewer Agreements in process*	3	\$149,213.10
Sewer Agreements Pending**	7	~\$525,000.00

* The participation request and required documentation have been submitted to the City and related agreements are being reviewed and will soon be completed.

** Developers expressed interest in the program but have not formally applied for the program.

Based upon the information listed above, staff recommends the proposed FY 2008/09 capital budget include an additional \$3.0 million dollars for the Sewer Participation Program (total budget of \$5.0 million) and an additional \$1.0 million (total budget of \$2.0 million) for the Water Participation Program.